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Hearing Date: June 29, 2006
10:00 A.M.

Attorneys for Wilmington Trust Company,
as Indenture Trustee

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:	:
	:
DELPHI CORPORATON, <i>et al.</i> ,	:
	:
Debtors.	:
	:
-----X	

Chapter 11
Case No. 05-44481 (RDD)
(Jointly Administered)

**PRELIMINARY OBJECTION OF WILMINGTON TRUST COMPANY, AS
INDENTURE TRUSTEE, TO MOTION FOR ORDER UNDER 11 U.S.C. § 363(B) AND
FED. R. BANKR. P. 6004 APPROVING (I) SUPPLEMENT TO UAW SPECIAL
ATTRITION PROGRAM, AND (II) IUE-CWA SPECIAL ATTRITION PROGRAM**

Wilmington Trust Company (“WTC”), in its capacity as indenture trustee with respect to the senior notes and debentures (the “Senior Debt”) in the aggregate principal amount of \$2 billion issued by Delphi Corporation (“Delphi”), by and through its attorneys, Kirkpatrick & Lockhart Nicholson Graham LLP, hereby files this preliminary objection to the Motion for Order Under 11 U.S.C. § 363(b) and Fed. R. Bankr. P. 6004 Approving (I) Supplement to UAW Special Attrition Program, and (II) IUE-CWA Special Attrition Program (the “Motion”) filed by Delphi and its debtor subsidiaries and affiliates (collectively, the “Debtors”), stating as follows:

1. WTC does not oppose the Debtors’ efforts to reduce their overall labor costs by encouraging voluntary attrition among their unionized employees, nor to the Debtors’ efforts to obtain financial and other assistance from General Motors Corporation (“GM”) in accomplishing that result.

2. WTC does object, however, to the Debtors' continuing efforts to force Delphi Corporation to bear the entire financial burden of restructuring the labor costs paid by its operating subsidiaries, particularly since the Debtors have not demonstrated that Delphi Corporation and its creditors will receive *any* concrete benefit from that restructuring.

3. For the same reason, WTC objects to the Debtors' effort to grant GM an allowed unsecured claim against Delphi Corporation without any showing that GM has provided a post-petition benefit to Delphi Corporation (as opposed to its operating subsidiaries), and before there has been an adequate opportunity for parties in interest, including WTC, to investigate the factual and legal merits of such a claim and to explore any defenses that might exist to such a claim based on the Debtors' complex relationship with their former owner.

4. In light of the complete absence of any apparent business justification for Delphi Corporation to fund the attrition programs described by the Motion, WTC files this objection in order to create a contested matter to permit it to take discovery from the Debtors to determine why Delphi Corporation believes it is in the best interests of its creditors to seek the relief requested by the Motion.

5. Based on the limited information set forth in the Motion, however, the Debtors have failed to demonstrate the existence of any "good business reason" for Delphi Corporation's participation in the Motion, and the Motion must therefore be denied. In re Lionel Corp., 722 F.2d 1063, 1071 (2d Cir. 1983).

6. WTC expressly reserves the right to supplement this objection upon the conclusion of discovery and prior to the hearing on the Motion.

WHEREFORE, WTC respectfully requests that the Court enter an Order denying the Motion and granting such other and further relief as this Court deems just and proper.

Dated: New York, New York
June 23, 2006

KIRKPATRICK & LOCKHART
NICHOLSON GRAHAM LLP

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